FOR IMMEDIATE RELEASE

Contacts: Teresa Arosemena (Panama) (507) 272-1873 Tamika Hawkins

PANAMA CANAL AUTHORITY SIGNS FIRST-EVER PARTNERSHIP AGREEMENT WITH THE MISSISSIPPI STATE PORT AUTHORITY AT GULFPORT

STRATEGIC ALLIANCE AIMS TO INCREASE ECONOMIC GROWTH, SPUR INTERNATIONAL TRADE AND PROMOTE THE "ALL-WATER ROUTE"

PANAMA CITY, Panama, August 2, 2010 – Panama Canal Authority (ACP)

Administrator/CEO Alberto Alemán Zubieta and Mississippi State Port Authority at Gulfport (MSPA) Executive Director/CEO Donald R. Allee launched a strategic partnership today in Panama by signing a Memorandum of Understanding (MOU) to increase economic growth, spur international trade and promote the "All-Water Route" (the route from Asia to the U.S. East and Gulf Coasts via the Panama Canal).



During an official ceremony, both parties, joined by Mississippi Governor Haley Barbour, affirmed their commitment to mutual growth and cooperation. Renewable after five years, the first-ever ACP-MSPA agreement will allow for joint marketing ventures, information sharing and technological exchange.

"Today's MOU signing represents a great opportunity for Panama and Mississippi to build upon our existing

offerings and trade relationship through a mutually beneficial alliance," said Mr. Alemán Zubieta. "One of the primary tenets of the ACP is to continually look for creative approaches to boost trade flows and provide safe, reliable and efficient service to the international maritime community. This agreement is one way that we can help achieve this goal."

Both the ACP and the Port are dedicated to further increasing capacity and fostering business development. In 2009, Panama was Mississippi's third largest trading partner, in terms of exports, after Canada and Mexico.

"For four decades, the Mississippi State Port Authority has focused on growth prospects in the Western Hemisphere, but the expanded Panama Canal will afford the Port of Gulfport new opportunities to be more competitive in shipping between North America and both Asia and the West Coast of South America," said Mr. Allee. "This agreement between the MSPA and the ACP will provide a framework for our two entities to work together to pursue new business opportunities that will result from an expanded Panama Canal."

The Panama Canal is currently undergoing its historic \$5.25 billion expansion project which will double the waterway's capacity and build a new lane of traffic through the construction of a new set of locks. Scheduled for completion in 2014, the project will allow more ships and the passage of longer and wider vessels through the Canal.

Receiving \$570 million in federal Community Development Block grants for restoration projects, the MSPA continues to refurbish the Port from Hurricane Katrina damage. Development plans include elevating the Port's West Pier to 25 feet above sea level, returning to pre-Katrina storage capacities and preparing for increased operations once the Panama Canal expansion project is completed.

"Maritime commerce is vital to Mississippi's economy, and the expansion of the Panama Canal provides the state with considerable opportunities for increased trade and worldwide shipping," said Governor Barbour. "Through the partnership with the Panama Canal Authority, the Port of Gulfport will be able to offer even more businesses quick, affordable access to nearly threequarters of American consumers. Our nation's ports are overcapacity, and the current restoration of the Port of Gulfport will accommodate increased container traffic that will be entering the

About the Mississippi State Port Authority at Gulfport (MSPA)

The MSPA is an Enterprise Agency of the State of Mississippi and is responsible for the daily operations of the Port of Gulfport. MSPA's mission is to be a profitable, self-sufficient Port providing world class maritime terminal service to present and future customers and to facilitate the economic growth of Mississippi through the promotion of international trade.

About the Panama Canal Authority (ACP)

The ACP is the autonomous agency of the Government of Panama in charge of managing, operating and maintaining the Panama Canal. The operation of the ACP is based on its organic law and the regulations approved by its Board of Directors. For more information, please refer to the ACP's Web site: www.pancanal.com. You can also follow the ACP on Twitter: http://twitter.com/thepanamacanal.

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This material is distributed by DJE, Inc. on behalf of the Panama Canal Authority. Additional information is available at the Department of Justice, Washington, D.C.

Lianne Elliott News Producer CBCNews.ca 250 Front Street West Toronto, Ontario Canada MSV 3G5

November 30, 2010

Dear Ms. Elliott,

I am writing in response to the November 18 article titled, "Earthquake risk high in Panama databeted suggests," published on CBCNews.ca. Your readers may want to know that the interpretation/analysis provided by geologist Tom Rockwell, and by which you based your reporting, is both flawed and highly editorialized.

I was quite disappointed that your publication neglected to contact the Panama Canal Authority (ACP) for comment on this story. Your readers deserve the facts based on proven data, not subjective conclusions.

Foremost, Tom Rockwell and his colleagues from Earth Consultants International have worked for the ACP as research consultants since 2005. The ACP tasked the team with conducting research to identify earthquake activities in the past 2,000 years in and around the Canal.

The ACP has known about the fault lines and the potential risks involved based on its own research and studies, prior to contracting Earth Consultants International. The ACP has taken every appropriate measure regarding the waterway's expansion and the design of the new locks to safeguard the Canal and its structures from any potential hazard related to these earthquakes. In addition, the ACP has been working with a group of eminent experts from different wellknown institutions including Dr. Robert Wesson of the U.S. Geological Survey as part of its Seismic Advisory Board.

Furthermore, there is no validity behind the danger that exists to Panama City structures. There have been building/structural codes in place since 1976, which include seismic considerations for design and construction to protect against structural instability during earthquakes. When a sixmagnitude earthquake hit the isthmus last year, Panama City was spared any major damage or reports of serious injuries.

Unfortunately, the journal article which was published in the Bulletin of the Seismological Society of America, by Mr. Rockwell and his colleagues, provides an erroneous, alarmist and editorialized analysis of the sound research that has been conducted regarding the risk of earthquakes around the Canal and Panama City.

We appreciate the opportunity to clarify these mischaracterizations and your attention to this matter.

Sincerely,

Lori Cuthbert
Editor-In-Chief
Discovery News
1 Discovery Place
Silver Spring, MD 20910

November 30, 2010

Dear Ms. Cuthbert,

I am writing in response to the November 22 article titled, "<u>Earthquakes Threaten Panama Canal and City</u>," published on *Discovery News*. Your readers may want to know that the interpretation/analysis provided by geologist Tom Rockwell, and by which you based your reporting, is both flawed and highly editorialized.

I was quite disappointed that your publication neglected to contact the Panama Canal Authority (ACP) for comment on this story. Your readers deserve the facts based on proven data, not subjective conclusions.

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We appreciate the opportunity to clarify these mischaracterizations and your attention to this matter.

Sincerely,

Sara Cirujano Europa Press La Castellana 210 Madrid, España 28046

30 de noviembre 2010

Estimada Señora Cirujano,

Le escribo acerca del artículo que se publico en *Europa Press* el 19 de noviembre, titulado "<u>El Canal De Panamá, en riesgo de fuerte terremoto</u>." Sus lectores quizás están interesados de saber que el análisis escrito por el geólogo Tom Rockwell, el cual ustedes usaron para su reporte, es defectuoso y editorializado.

Estaba desilusionada que su organización no se comunico con la Autoridad del Canal de Panamá (ACP) para comentario acerca de este artículo. Sus lectores deben saber lo hecho según los datos probados, no conclusiones subjetivas.

Desde el 2005, Tom Rockwell y sus colegas de Earth Consultants International han trabajado para la ACP como consultores de investigación. La ACP encargo este equipo con investigaciones para identificar actividades de terremotos durante los pasados 2,000 años en y alrededor del Canal.

La Autoridad del Canal de Panamá supo de las fallas y riesgos potenciales acabo de nuestros propios estudios, que se realizaron antes de contratar a Earth Consultants International. La ACP ha tomado las medidas apropiados sobre la ampliación del canal y el diseño de las esclusas para salvaguardar el Canal y las estructuras de potenciales peligros relacionados con estos terremotos. Adicionalmente, la ACP continúa a trabajar con un grupo de expertos de varias instituciones bien conocidas incluyendo Dr. Robert Wesson del United States Geological Survey como parte de nuestro Comité Consultivo Sísmico.

Además, el riesgo que existe a las estructuras de la ciudad de Panamá no tiene validez. Desde el 1976, existen códigos de construcción para estructuras y edificios que son diseñados para proteger contra inestabilidad estructural durante terremotos. Cuando un terremoto de magnitud seis ocurrió en el istmo el año pasado, la ciudad de Panamá no vio mayor daño o reportes de heridas serias.

Desafortunadamente, el articulo, escrito por Mr. Rockwell y sus colegas, que fue publicado en el *Bulletin of the Seismological Society of America* provee un análisis erróneo, editorializado y alarmista del las investigaciones que se han realizados acerca de los riesgos de terremotos alrededor del Canal y la ciudad de Panamá.

Apreciamos la oportunidad de clarificar estas caracterizaciones falsas y su atención a esta situación.

Sinceramente,

Teresa Arosemena Comunicación Internacional La Autoridad del Canal de Panamá Mr. Nosh Nalavala
Executive Director and Bureau Chief
MediaGlobal
United Nations
Dag Hammarskjold Library,
L-221 K
New York, NY 10017

November 11, 2010

Dear Mr. Nalavala,

I am requesting your immediate attention in issuing corrections to a story posted this weekend about the expansion of the Panama Canal. This article, which includes several errors outlined below, is being picked up by additional media outlets, continuing the spread of misinformation.

Upon reading the article by Amanda Wheat titled "The Panama Canal expansion: economics trumps environment," I found several errors and mischaracterizations about the Canal. I am requesting that MediaGlobal correct Ms. Wheat's article to reflect accurate information and an unbiased characterization of the project.

• In her fourth paragraph, Ms. Wheat writes that "the main concern is the effect the project will have on Gatun Lake, which supplies drinking water for 50 percent of Panamanians. Without proper caution, Gatun Lake could be infiltrated with ocean salt."

I'd like to make it clear that we did take proper caution to ensure that salinisation would not be an issue before any work on expansion began, consulting with experts in the field and issuing studies on the water in Gatun Lake. In fact, Gatun Lake will conserve its fresh water tropical condition with stable ecosystems and the water will remain within the levels of quality and standards appropriate for human consumption.

• The third paragraph states that "then existing locks will be widened to allow larger ships to pass through."

This is incorrect; existing locks will not be widened. Please delete this sentence.

In responses that I provided to Ms. Wheat a few weeks ago, I clearly stated that a new lane of traffic would be constructed to expand the Canal.

• The second to last paragraph references a "tax" that customers of the Canal pay to Panama.

In fact, there is not a "tax," but a toll paid by all customers to transit the Canal. The toll is used to maintain the Canal, fund modernization projects, and provide resources and revenue to the government of Panama to help the Panamanian people and the country.

Please correct this sentence to state that a toll is paid by all customers of the Canal.

• In her first paragraph, Ms. Wheat writes that "as plans to widen the canal are underway, the original dredgers that were abandoned by the French over a century ago are being revisited."

I would like to clarify that the United States, not the French, first began expansion work on the Canal.

• Moreover, expansion of the Canal will benefit more than just "the economies of large cargocarrying freights," as Ms. Wheat writes.

I had previously informed Ms. Wheat, in my written responses to her questions, that the primary goal of expansion is first and foremost, the people of Panama.

• Lastly, Ms. Wheat writes that "...it is difficult for local Panamanians to forget the last time governmental studies and simulations predicted such a low impact. In 1914 when the Canal was first constructed, governments that promised limited impact managed to displace 50,000 people and submerged 150 square miles of jungle under what is now Gatun Lake."

Since the original construction of the Canal, numerous strides have been made in engineering and technology. The expansion of the Panama Canal brings together innovations in engineering, technology and sustainability to ensure that the surrounding areas are not harmed and that it serves as a model project around the world.

I request a correction regarding the aforementioned issues and appreciate your prompt attention to this matter. If you have any questions, I can be reached at 507.272.1873 or TArosemena@pancanal.com. You can also visit www.pancanal.com for more information on the Canal and Expansion Program.

Sincerely,

Andy Coghlan
Senior Reporter
New Scientist
Lacon House
84 Theobalds Road
London, UK, WC1X8NS

Dear Mr. Coghlan,

I am writing in response to your November 18 article titled, "Panama canal is due a big earthquake," published in *New Scientist*. Your readers may want to know that the interpretation/analysis provided by geologist Tom Rockwell, and by which you based your reporting, is both flawed and highly editorialized.

I was quite disappointed that your publication neglected to contact the Panama Canal Authority (ACP) for comment on this story. Your readers deserve the facts based on proven data, not subjective conclusions.

Foremost, Tom Rockwell and his colleagues from Earth Consultants International have worked for the ACP as research consultants since 2003. The ACP tasked the team with conducting research to identify earthquake activities in the past 2,000 years in and around the Canal.

The ACP has known about the fault lines and the potential risks involved based on its own research and studies, prior to contracting Earth Consultants International. The ACP has taken every appropriate measure regarding the waterway's expansion and the design of the new locks to safeguard the Canal and its structures from any potential hazard related to these earthquakes. In addition, the ACP has been working with a group of eminent experts from different well-known institutions including Dr. Robert Wesson of the U.S. Geological Survey as part of its Seismic Advisory Board.

Furthermore, there is no validity behind the danger that exists to Panama City structures. There have been building/structural codes in place since 1976, which include seismic considerations for design and construction to protect against structural instability during earthquakes. When a six-magnitude earthquake hit the isthmus last year, Panama City was spared any major damage or reports of serious injuries.

Unfortunately, the journal article which was published in the Bulletin of the Seismological Society of America, by Mr. Rockwell and his colleagues, provides an erroneous, alarmist and editorialized analysis of the sound research that has been conducted regarding the risk of earthquakes around the Canal and Panama City.

We appreciate the opportunity to clarify these mischaracterizations and your attention to this matter.

Sincerely,

Andrea Mustain Staff Writer Our Amazing Planet

November 30, 2010

Dear Ms. Mustain,

I am writing in response to your November 18 article titled, "<u>Is a Major Earthquake Looming for Panama and its Canal</u>," published on *Our Amazing Planet*. Your readers may want to know that the interpretation/analysis provided by geologist Tom Rockwell, and by which you based your reporting, is both flawed and highly editorialized.

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Sincerely,

Teresa Arosemena

International Communications Panama Canal Authority Melisse Hinkle Reporter United Press International 1133 19th Street, NW Suite 800 Washington, D.C. 20036

November 30, 2010

Dear Ms. Hinkle,

I am writing in response to your November 18 article titled, "<u>Panama Canal said at earthquake risk</u>," published on *UPI.com*. Your readers may want to know that the interpretation/analysis provided by geologist Tom Rockwell, and by which you based your reporting, is both flawed and highly editorialized.

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